GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:3093
ANSWERED ON:18.12.2008
REDUCTION IN PRICES OF ATF
Chinta Mohan Dr. ;Suman Shri Ramji Lal

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the prices of Aviation Turbine Fuel (ATF) have been reduced substanitially during the last few months;

(b) if so, the details of the reduction in prices of ATF effected from August 2008 to November 20, 2008;

(c) the percentage of operational cost of flights reduced due to this price cut;

(d) whether its benefit has also been passed on the passengers/customers; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a) and (b):- Yes, Sir. with the decrease in crude price, the price of ATF has decreased over few months. The details of the reduction in prices of ATF effected from August 2008 to November, 2008 in four metro cities are as under :-

	Chennai (Rs.K/L)	Mumbai (Rs.K/L)	Delhi (Rs.K/L)	Kolkata (Rs.K/L)
August,2008	77661.17	73673.55	71028.26	80763.48
Sep. 2008	64209.44	60584.80	58450.07	67755.90
Oct.,2008	62050.59	58479.36	56447.80	65677.53
Nov.08				
1st-3rd	51893.75	48656.59	47017.93	55828.33
4th-15th	49673.63	46518.85	44695.70	53663.53
16th-30th	43641.64	40687.41	39380.52	47805.04

(c):- The percentage of operational cost of the flight can not be assesed at this stage.

(d) and (e):- Air fares are not being regulated by the Government. Airlines are free to charge air fares as per the market forces. Now, with decreasing prices of ATF the Airlines have started reducing fares. However, Airlines are also affected by the global financial downturn of the economy.